



HHS OSDBU Director's "Fireside Chat"

31 March 2022

Hosted by

Veteran Institute for Procurement (VIP)

<https://osdbu.hhs.gov>



Agenda

- Mission and Intent
- Small Business Governance Documents
- HHS Small Business Performance
- HHS Veteran Small Business Performance
- OSDDBU FY 22 Priorities
- Executive Order 13985 “ Advancing Equity in Procurement”
- Questions



HHS OSDBU Mission

HHS OSDBU Mission:

Advocating for small businesses through providing direct guidance, education, and outreach as well as support to internal and external stakeholders to maximize opportunities for small businesses while maintaining accountability.

The Office of Small and Disadvantaged Business Utilization (OSDBU) manages the development and implementation of appropriate outreach programs aimed at heightening the awareness of the small business community to the contracting opportunities available within HHS.

KEY TENETS:

- Promotes the participation of all small businesses in HHS contracts.
- Develops information to ensure small businesses compete for and receive a fair share of the Department's expenditures.
- Hosts Vendor Outreach Session (VOS) to educate vendors on the small business program and to provide information on how to effectively market your products and services to HHS.



Small Business Governance Documents

15 U.S. Code § 644 (k)

Executive Order 13985

OMB 22-03

HHS Equity Plan

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SMALL BUSINESS ACT
 (Public Law 85-536; Approved July 18, 1968)
 [As Amended Through P.L. 117-81, Enacted December 27, 2021]
 [15 U.S.C. 631 et seq.; 72 Stat. 384 et seq.]

[Footnote: This publication is a composite of the text of Public Law 85-536, as amended, and the public law listed in the Act Amended. Through note above and below of the history of each page of the public law and related current law through the date of the amendment of the public law listed at https://www.govinfo.gov/applications/comp.]

[Note: While this publication does not represent an official version of any Federal statute, substantial efforts have been made to ensure the accuracy of its contents. The official version of Federal law as found in the United States Statutes at Large and in the United States Code. The legal effect to be given to the Statutes at Large and the United States Code is established by statute (1 U.S.C. 112, 304.)

AN ACT to amend the Small Business Act of 1962, as amended.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title II of the Act of July 30, 1963 (Public Law 163, Eighty-third Congress), as amended, is hereby withdrawn as a part of that Act and is made a separate Act to be known as the "Small Business Act".

SEC. 1. [15 U.S.C. 631 note] This Act may be cited as the "Small Business Act".

SEC. 2. [15 U.S.C. 631] (a) The essence of the American economic system of private enterprise is free competition. Only through full and free competition can free markets, free entry into business, and opportunities for the expression and growth of personal initiative and individual judgment be assured. The preservation and expansion of such competition is basic not only to the economic well-being but to the security of this Nation. Such security and well-being cannot be realized unless the actual and potential capacity of small business is encouraged and developed. It is the declared policy of the Congress that the Government should aid, counsel, assist, and protect, insofar as is possible, the interests of small-business concerns in order to preserve free competitive enterprise, to insure that a fair proportion of the total purchases and contracts or subcontracts for property and services for the Government (including but not limited to contracts or subcontracts for maintenance, repair, and construction) be placed with small-business enterprises, to insure that a fair proportion of the total sales of Government property be made to such enterprises, and to maintain and strengthen the overall economy of the Nation.

(b)(1) It is the declared policy of the Congress that the Federal Government, through the Administration of the Small Business Administration, acting through the Associate Administrator for Inter-

February 8, 2022
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 As Amended Through P.L. 117-81, Enacted December 27, 2021

Federal Register / Vol. 86, No. 14 / Monday, January 25, 2021 / Presidential Documents 7009

Presidential Documents

Executive Order 13985 of January 20, 2021
Advancing Racial Equity and Support for Underserved Communities Through the Federal Government

By the authority vested in me as President by the Constitution and the laws of the United States of America, it is hereby ordered:

Section 1. Policy. Equal opportunity is the bedrock of American democracy, and our diversity is one of our country's greatest strengths. But for too many, the American Dream remains out of reach. Entrenched disparities in our laws and public policies, and in our public and private institutions, have often denied that equal opportunity to individuals and communities. Our country faces converging economic, health, and climate crises that have exposed and exacerbated inequities, while a historic movement for justice has highlighted the unbearable human costs of systemic racism. Our Nation deserves an ambitious whole-of-government equity agenda that matches the scale of the opportunities and challenges that we face.

It is therefore the policy of my Administration that the Federal Government should pursue a comprehensive approach to advancing equity for all, including people of color and others who have been historically underserved, marginalized, and adversely affected by persistent poverty and inequality. Affirmatively advancing equity, civil rights, racial justice, and equal opportunity is the responsibility of the whole of our Government. Because advancing equity requires a systematic approach to embedding fairness in decision-making processes, executive departments and agencies (agencies) must recognize and work to redress inequities in their policies and programs that serve as barriers to equal opportunity.

By advancing equity across the Federal Government, we can create opportunities for the improvement of communities that have been historically underserved, which benefits everyone. For example, an analysis shows that closing racial gaps in wages, housing credit, lending opportunities, and access to higher education would amount to an additional \$5 trillion in gross domestic product in the American economy over the next 5 years. The Federal Government's goal in advancing equity is to provide everyone with the opportunity to reach their full potential. Consistent with those aims, each agency must assess whether, and to what extent, its programs and policies perpetuate systemic barriers to opportunity and benefits for people of color and other underserved groups. Such assessments will better equip agencies to develop policies and programs that deliver resources and benefits equitably to all.

Sec. 2. Definitions. For purposes of this order: The term "equity" means the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment, such as Black, Latino, and Indigenous and Native American persons, Asian Americans and Pacific Islanders and other persons of color, members of religious minorities, lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons, persons with disabilities, and persons who live in rural areas; and persons otherwise adversely affected by persistent poverty or inequality.

(b) The term "underserved communities" refers to populations sharing a particular characteristic, as well as geographic communities, that have been systematically denied a full opportunity to participate in aspects of economic, social, and civic life, as exemplified by the list in the preceding definition of "equity."

EXECUTIVE OFFICE OF THE PRESIDENT
 OFFICE OF MANAGEMENT AND BUDGET
 WASHINGTON, D.C. 20503

December 2, 2021

M-22-03

MEMORANDUM FOR THE HEADS OF EXECUTIVE DEPARTMENTS AND AGENCIES

FROM: Jason S. Miller, Deputy Director for Management

SUBJECT: Advancing Equity in Federal Procurement

The Federal Government is the largest consumer of goods and services in the world, spending more than \$500 billion each year. The purchasing power makes Federal procurement a powerful tool to support small business growth and build generational wealth throughout the United States, including for firms owned by underserved individuals.

The President has set a policy of using Federal contract spending to support small businesses and advance equity. In Executive Order 13985, *Advancing Racial Equity and Support for Underserved Communities through the Federal Government* (the Executive Order), the President directed agencies to make Federal contracting and procurement opportunities more readily available to all eligible vendors and to remove barriers faced by underserved individuals and communities.¹ In his June 2021 speech commemorating the centennial of the Tulsa Race Massacre, the President announced an additional step. He set a goal of increasing the share of contracts awarded to small disadvantaged businesses (SDBs) to 15% by 2025. And he charged every agency to assess available tools to increase opportunities for small businesses and traditionally underserved entrepreneurs to compete for Federal contracts.

This memorandum implements the President's commitments to increase spending to SDBs to 15% by fiscal year (FY) 2025 and to increase baseline spending for the additional socioeconomic small businesses and traditionally underserved entrepreneurs recognized in the Small Business Act. These additional businesses include women-owned small businesses (WOSBs), service-disabled veteran owned small businesses (SDVOSBs), and small business contractors in Historically Underserved Business Zones (HUBZones).² To achieve the President's commitment, the memorandum instructs agencies to take five management actions, which have been developed in partnership with the Small Business Administration (SBA) and Federal buying agencies. These actions will help to increase spending to underserved:

¹ The Executive Order calls for a comprehensive approach to advancing equity for all, including "people of color and others who have been historically underserved, marginalized, and adversely affected by persistent poverty and inequality."
² For purposes of this guidance, the term "socioeconomic small business" refers collectively to SDBs, WOSBs, SDVOSBs, and HUBZone small business contractors.

OMB Equity Action Plan

Executive summary
 Agency name: U.S. Department of Health and Human Services (HHS)

Mission. The mission of HHS is to enhance the health and well-being of all Americans, by providing for effective health and human services and by fostering sound, sustained advances in the sciences underlying medicine, public health, and social services.

Summary of Action Plan. Executive Order 13985 calls on agencies to advance equity through identifying and addressing barriers to equal opportunity that underserved communities may face due to government policies and programs. This Equity Action Plan focuses on a main tenet of EO 13985, that advancing equity must be a central component of the decision-making framework that all agency functions are rooted through. Using the definition of equity presented in EO 13985,¹ this plan takes the perspective that it is incumbent on HHS to move proactively to assess and change policies, programs and processes that the Department administers to concretely advance equity and that for these efforts to last, HHS must simultaneously shift the culture, resources, and approaches available to HHS staff to mainstreamize and sustain a focus on equity over time. This Equity Action Plan does not describe comprehensively how all HHS components are working to advance equity, but instead highlights a few examples across the Department.

The Equity Action Plan was developed with cross-cutting department conversations and is designed to take concrete action to transform how HHS does business in ways that promote and advance equity through building on work that is already underway and implementing new actions. The plan describes actions that can be taken now with current resources and ways the Department can work to further advance equity in the future through strategies such as building data capacity, expanding stakeholder engagement, increasing our understanding of root causes of inequities and ongoing evaluation of our efforts. This plan is also written with an acknowledgment that all HHS equity-related efforts are not captured here, and the select inclusion of strategies is designed to be both a starting point and illustrative of the deep and wide actions to advance equity we are advancing. Additionally, future investments, such as those which may require new technology for office, are subject to the availability of funding.

Based on guidance from the Office of Management and Budget (OMB) and building on the Department's previous work, the strategies included here were selected as illustrative examples of HHS's wide actions to advance equity and focus on the areas of civil rights and language access, acquisitions, grants, capacity building, and maternal mortality.

- Focusing on civil rights protections and laws will help address barriers to health care and human services, such as those individuals with limited English proficiency face in

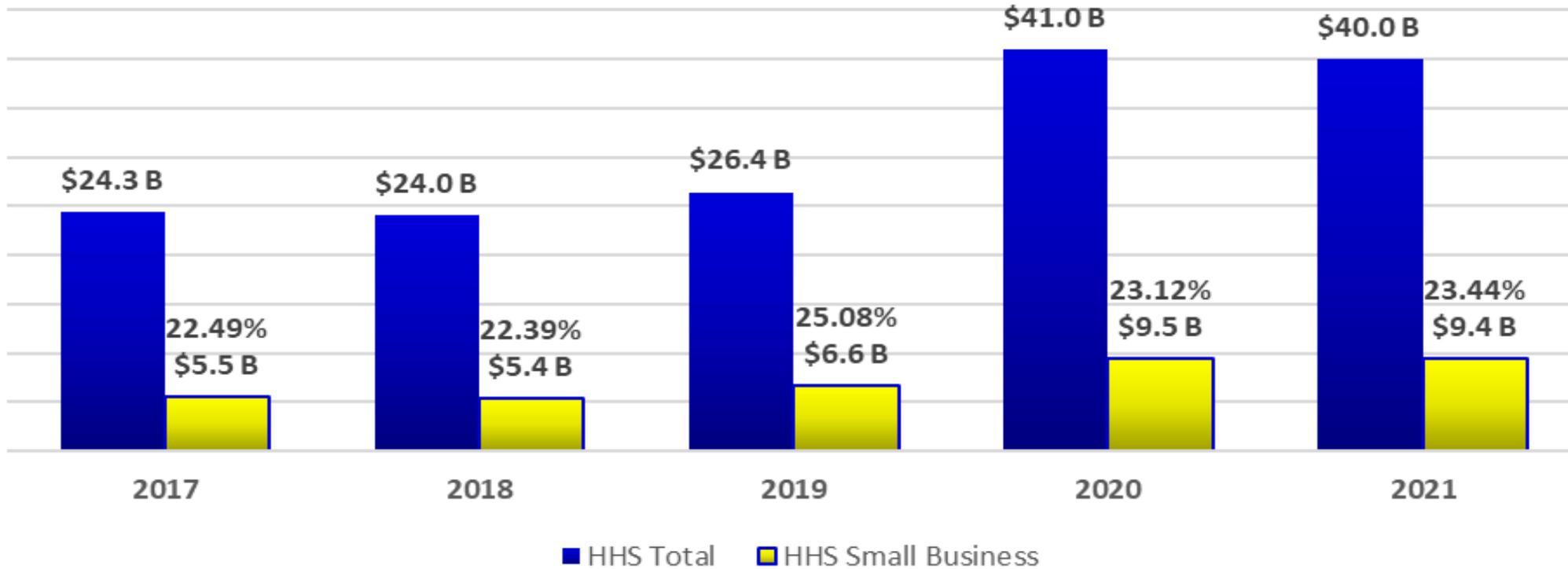
¹ Section 2(b) of EO 13985 provides that, "The term 'equity' means the consistent and systematic fair, just, and impartial treatment of all individuals, including individuals who belong to underserved communities that have been denied such treatment, such as Black, Latino, and Indigenous and Native American persons, Asian Americans and Pacific Islanders and other persons of color, members of religious minorities, lesbian, gay, bisexual, transgender, and queer (LGBTQ+) persons, persons with disabilities, and persons who live in rural areas, and persons otherwise adversely affected by persistent poverty or inequality." Further, section 2(b) provides that, "the term 'underserved communities' refers to populations sharing a particular characteristic, as well as geographic communities, that have been systematically denied a full opportunity to participate in aspects of economic, social, and civic life, as exemplified by the list in the preceding definition of 'equity.'"

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HHS Small Business Performance

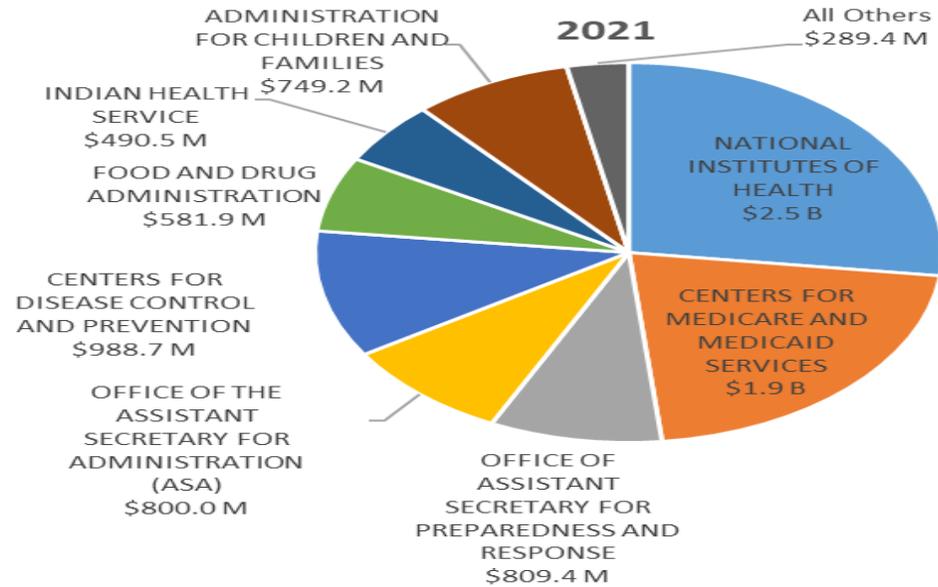
HHS Dollars 2017 - 2021



HHS Dollars 2017 - 2021	2017	2018	2019	2020	2021
HHS Total	\$24.3 B	\$24.0 B	\$26.4 B	\$41.0 B	\$40.0 B
HHS Small Business	\$5.5 B	\$5.4 B	\$6.6 B	\$9.5 B	\$9.4 B
HHS Small Business %	22.49%	22.39%	25.08%	23.12%	23.44%



HHS Small Business Performance

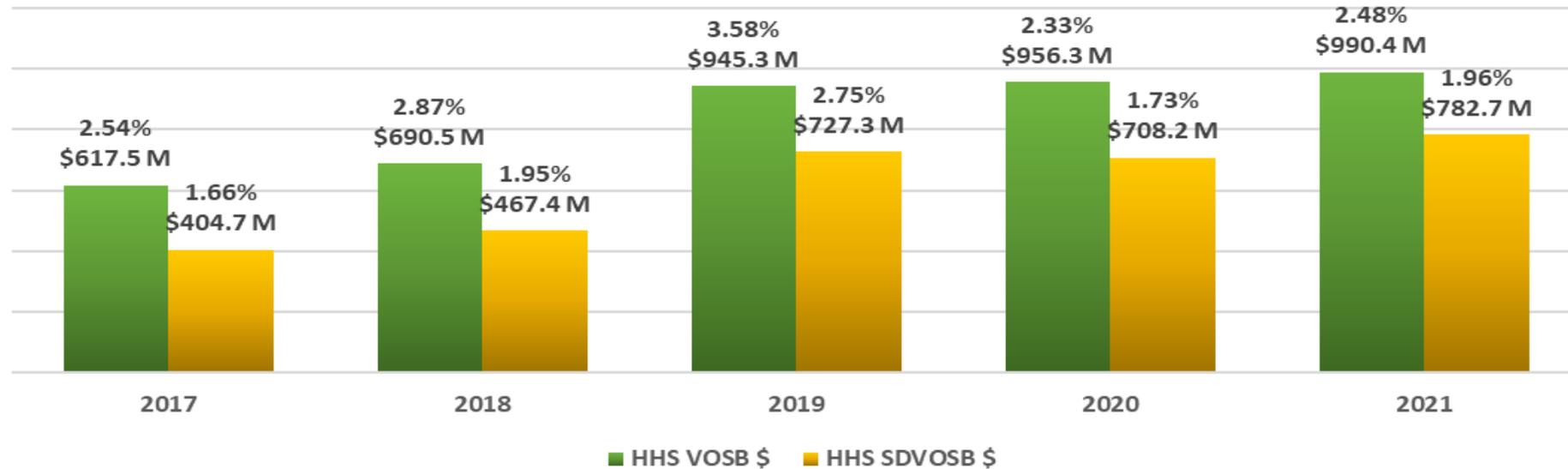


HHS Small Business Dollars	2017	2018	2019	2020	2021
NATIONAL INSTITUTES OF HEALTH	\$1.4 B	\$1.6 B	\$1.7 B	\$2.3 B	\$2.5 B
CENTERS FOR MEDICARE AND MEDICAID SERVICES	\$1.2 B	\$1.3 B	\$1.8 B	\$1.8 B	\$1.9 B
OFFICE OF ASSISTANT SECRETARY FOR PREPAREDNESS AND RESPONSE	\$494.5 M	\$404.0 M	\$595.4 M	\$2357.1 M	\$809.4 M
OFFICE OF THE ASSISTANT SECRETARY FOR ADMINISTRATION (ASA)	\$917.3 M	\$921.5 M	\$810.1 M	\$715.3 M	\$800.0 M
CENTERS FOR DISEASE CONTROL AND PREVENTION	\$537.8 M	\$445.8 M	\$586.0 M	\$751.5 M	\$988.7 M
FOOD AND DRUG ADMINISTRATION	\$520.8 M	\$530.5 M	\$573.1 M	\$665.3 M	\$581.9 M
INDIAN HEALTH SERVICE	\$314.1 M	\$319.1 M	\$324.5 M	\$390.7 M	\$490.5 M
ADMINISTRATION FOR CHILDREN AND FAMILIES				\$0.0 M	\$749.2 M
HEALTH RESOURCES AND SERVICES ADMINISTRATION	\$88.8 M	\$112.1 M	\$133.1 M	\$140.9 M	\$148.4 M
SUBSTANCE ABUSE AND MENTAL HEALTH SERVICES ADMINISTRATION	\$108.0 M	\$90.2 M	\$85.3 M	\$88.8 M	\$89.9 M
AGENCY FOR HEALTHCARE RESEARCH AND QUALITY	\$17.4 M	\$26.6 M	\$32.1 M	\$28.0 M	\$31.8 M
OFFICE OF THE INSPECTOR GENERAL	\$1.0 M	\$11.0 M	\$17.9 M	\$18.2 M	\$19.4 M



HHS Veteran Small Business Performance

HHS Veteran Spending



HHS Veteran Spending	2017	2018	2019	2020	2021
HHS VOSB \$	\$617.5 M	\$690.5 M	\$945.3 M	\$956.3 M	\$990.4 M
HHS VOSB %	2.54%	2.87%	3.58%	2.33%	2.48%
HHS SDVOSB \$	\$404.7 M	\$467.4 M	\$727.3 M	\$708.2 M	\$782.7 M
HHS SDVOSB %	1.66%	1.95%	2.75%	1.73%	1.96%



HHS OSDBU FY 22 Priorities

- Implement the OSDBU objectives outlined in support of Executive Order 13985.
- Improve HHS OSDBU Small Business Prime Contracts performance in the following socioeconomic categories - HUBZone and SDVOSB
- Modernize the small business industrial base in order to create a more reliable supply chain to address future pandemics
- Pursue small business technology to address HHS Critical Capability challenges
- Strengthen oversight of prime contractor reporting of subcontracting plans and goals, as subcontracting opportunities are often pathways for small businesses to become involved with Federal contracting.



Executive Order 13985 Initiatives

- Emphasize department-wide utilization of the Small Business Customer Experience Forecasting Tool
- Strengthen oversight on subcontracting goals in contracts awarded to large businesses; Oversight of prime contractor reporting of subcontracting goals achievement.
- Increase HHS OSDBU Small Business Prime Contracts performance in the following socioeconomic categories - HUBZone and SDVOSB.
- Increase small business set-aside compliance IAW FAR 19.502-2 for procurements under the Simplified Acquisition Threshold (\$250K).
- Collaborate with National Institutes of Health to increase the use of Historically Black Colleges & Universities in OpDIV/StaffDiv procurements (specifically for research & development).



Questions

“Remember why you started your business in the first place. Embrace the business you love.

When you start by reminding yourself of your passion, the ideas, the motivation, and the success will come.” –Hillary Berman

[Website- https://osdbu.hhs.gov](https://osdbu.hhs.gov)